

AG Contract No. KR95 1269TRN
ADOT ECS File No. JPA 95-99
Project: Refurbish Highway Signs
Section: Statewide

INTERAGENCY AGREEMENT
BETWEEN
THE DEPARTMENT OF TRANSPORTATION
AND
ARIZONA CORRECTIONAL INDUSTRIES

THIS AGREEMENT is entered into 15 AUGUST, 1995,
between agencies of the STATE OF ARIZONA, to wit; the
DEPARTMENT OF TRANSPORTATION, acting by and through its
HIGHWAYS DIVISION (the "DOT") and ARIZONA CORRECTIONAL
INDUSTRIES, acting by and through its Director (the "ACI").

I. RECITALS

1. The DOT is empowered by Arizona Revised Statutes Section 28-108 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the DOT.

2. The ACI is empowered by Arizona Revised Statutes Section 41-1624.1.b to enter into this agreement and has resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the ACI.

3. The DOT, as part of it's routine highway mission, has an ongoing requirement for numerous highway signs. As signs are damaged or wear out, the aluminum metal portion is refurbished and recycled into new sign blanks. The DOT has determined this to be a type of work that may be assigned to others at an overall cost savings to DOT, and the ACI has agreed to conduct that operation on behalf of the DOT.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The DOT will:

a. Provide ACI with the necessary tools and machinery required for the effort, as detailed on Exhibit A, but retain title thereto. Provide current machinery maintenance experience data and repair costs to assist ACI in determining operating costs. Provide manuals, drawings and manufacturer points of contact related to machinery maintenance and repairs.

b. Appoint DOT personnel with sufficient authority to administer the machinery and work transfer, as well as the overall sign refurbishment effort. Provide training and quality control support to ACI. Make signs to be refurbished available for ACI pickup as needed at the DOT sign shop, 2104 S. 22nd Avenue, Phoenix, Arizona. Reimburse ACI for labor costs to construct 15 tote carts to hold and transport signs.

c. Reimburse the ACI in the amount of \$0.25 per square foot of sign metal refurbished. Such rate may be adjusted from time to time upon written agreement of the parties hereto to facilitate an equitable financial arrangement, but no more often than semiannually after the initial six month period this agreement is in effect.

2. The ACI will:

a. Pickup signs to be refurbished in tote carts and deliver refurbished signs on pallets to DOT. Perform sign refurbishment strictly in accordance with Exhibit B, which is attached hereto and made a part hereof.

b. Transfer DOT machinery and equipment to ACI facilities, maintain same in appropriate good condition and be responsible for all costs associated therewith. Establish a documented machinery maintenance schedule compliant with manufacturer and DOT requirements. Obtain written DOT concurrence on any machinery modifications. Construct tote carts to DOT specifications. Upon termination of this agreement, promptly return machinery and equipment in good working condition to DOT, at no cost to DOT.

c. No more often than monthly, invoice the DOT in the amount of \$0.25 per square foot of sign metal refurbished.

d. Appoint authorized ACI personnel with sufficient authority to administer the machinery transfer, as well as the overall sign refurbishment effort.

e. Establish and implement quality performance measures in the performance of this agreement by benchmarking refurbishment costs and conducting customer satisfaction queries. Diligently pursue continuous improvement in all areas of the sign refurbishment program.

III. MISCELLANEOUS PROVISIONS

1. This agreement shall remain in force and effect until cancelled by either party or other competent authority.

2. This agreement shall become effective upon execution by the parties hereto.

3. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

4. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

5. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

6. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007


Arizona Correctional Industries
1918 West Van Buren Street
Phoenix, AZ 85009

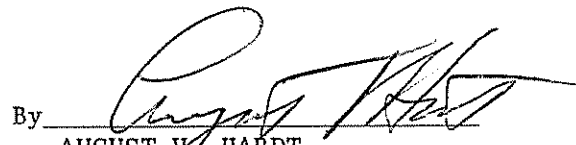
IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

STATE OF ARIZONA

ARIZONA CORRECTIONAL INDUSTRIES

DEPARTMENT OF TRANSPORTATION

By 
JOHN J. SPEARMAN
Assistant Director

By 
AUGUST V. HARDT
Deputy State Engineer

RESOLUTION

BE IT RESOLVED on this 31st day of July 1995, that I, the undersigned LARRY S. BONINE, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Highways Division, to enter into an agreement with the Arizona Correctional Industries for the purpose of defining responsibilities for the ACI to conduct sign refurbishment operations for the DOT.

Therefore, authorization is hereby granted to draft said agreements which, upon completion, shall be submitted to the Deputy State Engineer for approval and execution.



for LARRY S. BONINE
Director

EXHIBIT A

MACHINERY DESCRIPTION AND INVENTORY

1 EACH

- ☐ **AQUA MISER MODEL E25 (ELECTRIC) HIGH PRESSURE CLEANER 44 VOLT SYSTEM**
- ☐ **AQUA MISER BOSS FAN GUN**
- ☐ **AQUA MISER BOSS STANDARD HOSE ASSEMBLY**
- ☐ **ROTARY NOZZLE GUN**
- ☐ **BINKS CENTRICLEAN MODEL C50M CENTRIFUGE**
- ☐ **ELECTRICAL CONTROL BOX AND FABRICATED ALUMINUM AND LEXAN STRIPPING BOOTH WITH BI FOLD DOORS ON 2-SIDES AND PARTICLE CATCH BASIN**
- ☐ **INTAKE FAN 220 VOLT MOTOR AND ON/OFF SWITCH BOX**
- ☐ **EXHAUST TUBEAXIAL FAN 220 VOLT MOTOR AND ON/OFF SWITCH BOX**
- ☐ **15 GALLON GRAVITY DUMP CENTRIFUGE RESERVOIR**
- ☐ **300 GALLON MAIN WATER SUPPLY RESERVOIR**
- ☐ **FABRICATED ALUMINUM HOLDING TABLE (ADJUSTABLE)**
- ☐ **OPERATORS MANUAL**
- ☐ **ALUMINUM FRAME PLYWOOD FLOOR OPERATOR PLATFORM**
- ☐ **FABRICATED ALUMINUM EXHAUST STACK**

2 EACH

- ☐ **300 WATTS QUARTZ LIGHTS
ATTACHED TO STRIPPING BOOTH**
- ☐ **IN LINE WATER FILTERS AMETEK
MODEL PS-S1**

3 EACH

- ☐ **WILDEN AIR PUMPS MODEL
M2/00/NE/NE/AB WITH AUTO OILERS
AND 110 VOLT ELECTRICAL
SOLENOIDS**

15 EACH

- ☐ **ADJUSTABLE VISE GRIP CLAMPS**

59 EACH

- ☐ **BAKING SODA (25LBS)**

06/05/95

**ADOT SIGN FACTORY
MINIMUM ACCEPTABLE STANDARDS
FOR RETURNED REFURBISHED ALUMINUM SIGN BLANKS.**

1. ALUMINUM BLANK SHALL BE STRIPPED OF ALL COATINGS ON BOTH SIDES USING A COMBINATION OF EITHER OR BOTH AQUA MISER ROTARY GUN OR AQUA MISER FAN GUN WITH BAKING SODA (A SMALL AMOUNT OF GLUE RESIDUE IS CONSIDERED USABLE).
2. ALUMINUM SIGN BLANKS NOT STRIPPED TO SPECIFICATIONS SHALL BE RETURNED TO ACI FOR RE-STRIPPING.
3. ALUMINUM BLANKS SHALL BE FLAT WITH NO JAGGED PIECES PROTRUDING OR BENDS IN THE SHEET.
4. BULLET HOLES 4 cm AND SMALLER SHALL BE FLATTENED. SIGNS WITH HOLES LARGER THAN 4 cm (APPROXIMATELY 1 1/2" DIAMETER) SHOULD BE RETURNED TO THE SIGN FACTORY AS IS FOR SALVAGE.
5. ALUMINUM SIGN BLANKS WITH BENDS OR CREASES THAT CANNOT BE FLATTENED MUST BE RETURNED TO THE SIGN FACTORY FOR SALVAGE.
6. ALUMINUM SIGN BLANKS WITH CRACKS MUST BE RETURNED TO THE SIGN FACTORY FOR SALVAGE.
7. COMPLETED STRIPPED SIGN BLANKS SHALL BE RETURNED PALLETIZED AND SORTED ACCORDING TO SHAPE AND SIZE.
8. COMPLETED STRIPPED SIGNS RETURNED TO ADOT SIGN FACTORY SHALL BE ACCOMPANIED BY AN ITEMIZED RECEIVER WITH SQUARE FOOTAGE AS THE UNIT OF MEASURE FOR PRICING.

06/05/95

**ADOT SIGN FACTORY
PARTNERING WITH ACI FOR ALUMINUM SIGN REFURBISHING
OPERATIONAL REQUIREMENTS / PICK-UP AND DELIVERY.**

1. THE SIGN FACTORY WILL PROVIDE A PICK-UP POINT BEHIND THE FACTORY, WITH ALUMINUM SIGNS SORTED AND INVENTORIED PRIOR TO ACI PICK-UP.
2. ACI WILL PROVIDE METAL SHIPPING CAGES FOR TRANSPORTING TO THE STRIPPING SITE. IN ORDER TO FACILITATE EFFICIENT HANDLING OF SIGN BLANKS, TWO SETS OF SHIPPING CAGES WILL BE REQUIRED. FOUR CAGES TO LOAD AT THE FACTORY AND FOUR CAGES TO WORK AT THE ACI PRODUCTION FACILITY.
3. ACI WILL SIGN FOR ALL ALUMINUM SIGN BLANKS AT THE TIME OF PICK-UP. ADOT SIGN FACTORY WILL SIGN FOR ALL RETURNED SIGN BLANKS.
4. ADOT SIGN FACTORY WILL NOTIFY BY PHONE TO ACI REPRESENTATIVE WHEN A SUFFICIENT QUANTITY OF SIGNS ARE SORTED AND READY FOR PICK-UP BY ACI. APPROXIMATELY 8,000 SQUARE FEET PER LOAD MINIMUM.
5. HANDLING AND PROCESSING OF EACH LOAD SHOULD BE ACCOMPLISHED IN 60 WORKING DAYS BASED ON A PRODUCTION STANDARD OF 344 SQUARE FEET PER DAY. (THESE FIGURES ARE EXPECTED TO INCREASE AS ACI GAINS PRODUCTION AND OPERATIONAL EXPERIENCE.)
6. ALL STRIPPING EQUIPMENT FROM THE ADOT SIGN FACTORY IS ON LOAN TO ACI .
7. ACI SHALL BE RESPONSIBLE FOR ALL MAINTENANCE AND REPAIRS.
8. ADOT SHALL BE CONSULTED PRIOR TO ANY EQUIPMENT MODIFICATIONS.